

Consumers for Cable Choice NOI letter

Dear Chairman Martin:

No industry has been more responsible for the explosive growth of the national and global economy in the last 15 years than the nexus of telecommunications, technology, commerce, and entertainment that is the Internet. And no single government policy has been so responsible for the Internet's Herculean contribution to global economic growth than the non-intervention consensus that has dominated Internet policy at the federal, state, and local level under Congresses and Administrations of both major political parties. That is to say, much of what the Internet has done for our economy in the last decade and a half has been due to the federal government's refusal to insert itself into a fully competitive, self-regulating free market. Proposals to alter that position should be subjected to great scrutiny, with an eye for any unnecessary government interference that would undermine the creation of jobs, investment, and opportunity in the Internet sector.

As such, the recent Notice of Inquiry regarding the Commission's Internet policy principles has created a great deal of conversation within the consumer advocacy community, and most of that has been concerned. Of particular concern is the idea that the NOI was brought about by pressure being brought to bear on the Commission by proponents – and potential beneficiaries – of so-called “net neutrality” regulations. This package of policies would introduce government regulation of the Internet for the first time, encourage further regulation down the road, freeze the current momentum of infrastructural investment, and most important, directly undermine the current high level of empowerment consumers enjoy in this market. I am writing on behalf of Consumers for Cable Choice, therefore, to urge the Commission to reject any change in policy or principle that would invite future regulatory interference along the lines of net-neutrality.

Right now, consumers are treated better, served with higher quality, provided a greater array of choices, and all for more competitive prices in the Internet service market than any in the entire economy. On the Internet, every competitor is just one click away. A single overcharge, a single example of poor service, a single unhappy customer, can create a “virus” of bad publicity. No industry is more focused on customer service because unsatisfied customers can find better alternatives everywhere they look. This is why, for instance, the net-neutrality-lobby's warnings of upload/download discrimination have been ignored: they're not true. In the history of the Internet, there isn't a single case of such discrimination. Why, then, should we discard two decades of successful regulatory restraint in

exchange for broad regulatory intervention that will only harm the free and open nature of the online market? Consumers, in other words, are taking care of themselves very well on the Internet; the last thing they need is for government to insert itself between content providers, service providers, and consumers.

On the other hand, government intervention in the wide-open, consumer dominated Internet market will lead to serial rent-seeking, with one branch of the sector looking for government help against its rivals. Regulatory compliance costs are never happily swallowed by businesses; they get passed along to consumers in the form of higher prices. Avoiding this pattern is what government has done right in the Internet – consumers, investors, Internet companies, and every other sector of the economy that benefits from the Internet's productivity have benefited from the current policy.

The Commission's policy isn't broke; don't fix it.